



GREAT LAKES WATER AUTHORITY

BOARD OF DIRECTORS

December 17, 2015, 2:00 p.m. MEETING

AGENDA

1. Call to Order

Call to Order

2. Quorum Call

Quorum Call

3. Approval of Agenda

Approval of Agenda

4. Approval of Minutes

A) Approval of minutes of December 4 and December 9, 2015 Meetings.

5. Public Comment

Public Comment (3 minutes per speaker)

6. Communications

A) 2015-12 -16 Motion to Receive and File.

None

7. Old Business

None

8. New Business

A) 2015-12-17 Resolution regarding Determination of Satisfaction of Conditions for Regional Water Supply System Lease and Regional Sewage Disposal System Lease to Become Effective.

B) 2015-12-18 Resolution regarding SRF signatories.

C) Discussion regarding WRAP Program status.

D) Update on status of Bio-Solids Drying Facility testing.

E) Scheduling of 2016 Committee Meetings.

F) Such Other Matters.

9. Remarks

A) Chairperson's Remarks.

B) Board Members' Remarks.

10. Interim CEO's Report

11. Adjournment

A) Motion to Adjourn.

Great Lakes Water Authority

Resolution 2015-12- 17

**RE: Determination of Satisfaction of Conditions for Regional Water Supply System Lease
and Regional Sewage Disposal System Lease to Become Effective**

By Board Member: _____

Whereas Pursuant to the authority granted in Resolution 2015-06-08 adopted by the Board of Directors of the Great Lakes Water Authority (the “Authority”) on June 12, 2015, the City of Detroit (the “City”) and the Authority entered into (i) a Regional Water Supply System Lease, dated June 12, 2015, between the City and the Authority (the “Water Lease”), providing for the lease by the City to the Authority for an initial term of 40 years of those portions of the City’s Water Supply System that provide water service to wholesale customers of the Water Supply System and to retail customers in the City up to the point of connection to the City local water system infrastructure, and (ii) a Regional Sewage Disposal System Lease, dated June 12, 2015, between the City and the Authority (the “Sewer Lease” and together with the Water Lease, the “Leases”), providing for the lease by the City to the Authority for an initial term of 40 years of those portions of the City’s Sewage Disposal System that provide sewer service to wholesale customers of the Sewage Disposal System and to retail customers in the City up to the point of connection to the City local sewer system infrastructure; and

Whereas Section 3.2 of each of the Leases sets forth the conditions that must be satisfied on or before a certain date in order for the Leases to become effective on such date (the “Effective Date”);

Whereas The Effective Date is defined in each of the Leases to be the date on which the conditions set forth in Section 3.2 have been satisfied, as determined by the Mayor of the City and a supermajority vote (5/6) of the Authority and as evidenced by a certificate signed by authorized officers of the City and the Authority;

Whereas If the conditions set forth in Section 3.2 of each of the Leases are not satisfied and the Effective Date has not occurred on or before January 1, 2016, the Leases shall be null and void and shall terminate immediately and the Authority Board shall consider a motion to dissolve as provided in Section 5A of the Articles of Incorporation of the Authority;

Whereas Pursuant to Section 3.2 of each of the Leases, the following documents have been presented to the Authority Board:

1. Executed counterparts of the Leases as amended through the date hereof, the Water and Sewer Services Agreement and the Shared Services Agreement;

2. Authenticated copies of the Master Sewer Bond Ordinance and the Master Water Bond Ordinance as amended through the date hereof;
3. Authenticated copies of the ordinances required by Section 5.7(c) of each of the Leases adopted by the Board of Water Commissioners of DWSD on December 9, 2015 and by the Authority Board on December 9, 2015 (Ordinance Nos. 2015-05 and 2015-06), respectively;
4. Letters from the Michigan Department of Environmental Quality confirming the Authority has secured all permits and other governmental approvals necessary to operate the Leased Water Facilities and the Leased Sewer Facilities, respectively, which are set forth in Schedule C attached to each of the Leases.
5. A certificate of U.S. Bank National Association, as trustee for the DWSD Water Bonds and the DWSD Sewer Bonds, dated December 17, 2015, certifying that DWSD shall have secured the consent of (i) not less than fifty-one percent (51%) in principal amount of the DWSD Water Bonds outstanding on the Effective Date to the matters set forth in Section 3.2 (f) of the Water Lease and (ii) of not less than fifty-one percent (51%) in principal amount of the DWSD Sewer Bonds outstanding on the Effective Date to the matters set forth in Section 3.2(f) of the Sewer Lease, and consenting to the matters set forth in Section 3.2(f) of each of the Leases;
6. (i) An opinion of Dickinson Wright PLLC, bond counsel to the Authority, dated December 17, 2015 and addressed to the Authority and the City, to the effect that the lease of the Leased Water Facilities and the Leased Sewer Facilities to the Authority and assumption by the Authority of the DWSD Water Bonds and the DWSD Sewer Bonds, will not, in and of themselves, materially impair the tax-exempt status of the interest on the DWSD Water Bonds and the DWSD Sewer Bonds, respectively, and (ii) a letter dated December __, 2015, from _____, a nationally recognized rating agency currently rating the DWSD Water Bonds and the DWSD Sewer Bonds, respectively, confirming that the rating assigned to the Bonds being assumed under the Master Water Bond Ordinance and the Master Sewer Bond Ordinance, respectively, after such assumption, is not less than the respective then-existing rating on the DWSD Water Bonds and DWSD Sewer Bonds assigned by such rating agency;
7. Reports from the Foster Group, dated December 15, 2015, demonstrating that the Authority has the ability to issue at least One Dollar (\$1.00) of additional indebtedness at each level of priority under the additional bonds tests set forth in each of the Master Water Bond Ordinance and the Master Sewer Bond Ordinance;
8. (i) Opinions of Miller, Canfield, Paddock and Stone, P.L.C., counsel to the City, and of Dickinson Wright PLLC, counsel to the Authority, each dated December 17, 2015 and addressed to the City and the Authority, to the effect that each Lease is valid, binding and enforceable with respect to the City and the

Authority, respectively, and (ii) an opinion of Dykema Gossett PLLC, counsel for DWSD, dated December 17, 2015, to the effect that the rates for wholesale customers and the City adopted by DWSD for the Fiscal Year beginning July 1, 2015 are binding and effective;

9. A certificate from the General Counsel of DWSD, dated December 17, 2015, certifying that the City has received all necessary consents to the assignment of the wholesale customer contracts set forth in Schedule D of each of the Leases; and

10. An executed counterpart of the agreement among the Authority, the City and GRS described in Section 4.3(b) of each of the Leases.

Whereas Capitalized terms not otherwise defined in this Resolution shall have the meanings given such terms in the Leases;

Whereas The Leases provide that at least 5 of the 6 members of the Authority Board must vote to adopt this Resolution.

Now, Therefore Be It:

Resolved That the conditions set forth in Section 3.2 of each of the Leases for the Effective Date to occur have been satisfied, and the Effective Date of each of the Leases shall be January 1, 2016; **And Be it Further**

Resolved That the Chairperson of the Authority is authorized to execute and deliver for and on behalf of the Authority a certificate or certificates certifying that the conditions set forth in Section 3.2 of each of the Leases have been satisfied and that the Effective Date of each of the Leases is January 1, 2016; **And Be it Further**

Resolved That an affirmative vote of at least 5 members of the Authority Board is necessary for the passage of this Resolution.

Adopted by the Great Lakes Water Authority Board on: _____



GREAT LAKES
WATER AUTHORITY
GENERAL ADMINISTRATION

735 RANDOLPH STREET
DETROIT, MICHIGAN 48226
WWW.GLWATER.ORG

Agenda of December 17, 2015
Proposed Contract No.: Not Applicable
Time: Not Applicable.
Amount: Not Applicable

TO: The Honorable
Board of Directors

FROM: Sue F. McCormick, Chief Executive Officer
Great Lakes Water Authority

DATE: December 17, 2015

RE: **Resolution 2015-12-18 Regarding State Revolving Fund (SRF) and
Drinking Water Revolving Fund (DWRF) Designated Authorized
Representatives**

MOTION

Upon recommendation of Gaylor Johnson, Procurement Director, the Great Lakes Water Authority Board approves the attached Resolution 2015-12-18 authorizing the Chief Executive Officer, Chief Financial Officer, and Director of Finance to be named Designated Authorized Representatives for the Great Lakes Water Authority, and also authorizes the Chief Executive Officer to take such other action as may be necessary to accomplish the intent of this vote.

JUSTIFICATION

The Michigan Department of Environmental Quality (MDEQ) requires that an Authorized Representative(s) be designated to execute and deliver contracts, certificates, documents, instruments and other papers as may be required by the State in accordance with the Natural Resources and Environmental Protection Act, Public Act 451 of 1994, Part 53, Section 324.5308(l)(g).

BACKGROUND

MDEQ requires that an Authorized Representative be designated. MDEQ through the attached form of resolution as approved by this Board.

Great Lakes Water Authority

Resolution 2015-12-18

Resolution Identifying Designated Representative

Minutes of the regular meeting of the Great Lakes Water Board, held on December 17, 2015:

PRESENT Members: _____
:

ABSENT Members:
:

Member _____ offered and moved the adoption of the following resolution,
Seconded by Member _____

WHEREAS, the Natural Resources and Environmental Protection Act, Public Act of 1994, Part 53, Section 324.5308 (l) (g) requires State Revolving Fund (SRF) and Drinking Water Loan recipients to comply with said act, which reads, "a certified resolution for, the municipality designating an authorized representative for the project."

NOW, THEREFORE, BE IT RESOLVED that the following positions are designated as Authorized Representative, for the purposes of the State Revolving Fund and Drinking Water Revolving Fund:

1. Chief Executive Officer, held by Sue F, McCormick; Treasurer/Chief Financial Officer, Nicolette Bateson; and Director of Finance, Michael Huber are designated as Authorized Representatives for purposes of the State Revolving Fund and Drinking Water Fund.

2, An Authorized Representative is hereby jointly or severally authorized to take any actions necessary to comply with the requirements of the State in connection with the issuance of the loan, An Authorized Representatives are hereby jointly or severally authorized to execute and deliver such other contracts, certificates, documents, instruments, applications and other papers as may be required by the State or as may be otherwise necessary to effect the approval and delivery of the loan.

YEAS: Members:

NAYS: Members:

RESOLUTION DECLARED
ADOPTED

Robert Daddow, Chairman
Great Lakes Water Authority

I hereby certify that the foregoing is a true and complete copy of a resolution adopted by the Great Lakes Water Authority Board at a regular meeting held on December 17, 2015,

Great Lakes Water Authority

Isaiah McKinnon
Board Secretary - 1 -



Great Lakes Water Authority
Financial Services Group
GLWA Board Communication

Date: December 17, 2015
To: Great Lake Water Authority Board of Directors
From: Jon Wheatley, Public Finance Manager
Re: WRAP Status Update

Background:

As a result of the findings and recommendations from the Water Residential Assistance Program (“WRAP”) Advisory Group, a WRAP Program Design Report was presented and approved by the GLWA Board of Directors at its meeting on October 7, 2015. Prior to this approval, a Request For Proposals for Program Administration Services- WRAP (the “RFP”) was drafted with the cooperation of Eric Rothstein, Charlie Fleetham, Joan Byrne and myself so it could be advertised shortly after the Board approval. As part of the RFP, a draft schedule of events was prepared and included on page 2. Subsequent to the approval, the RFP was advertised on the MITN website and posted to the GLWA website on October 9th.

Evaluation Team:

Since the WRAP program will benefit customers across the entire GLWA service area, it was important to have representation on the evaluation that represented most of the service area. The evaluation team included:

Jonathan Wheatley	GLWA
Tarolyn Buckles	Onyx- Representing the City of Detroit
Tupac Hunter	Wayne County
Richard Sulaka	Macomb County
Scott Guzzy	Oakland County

Completed Processes:

To date, the evaluation team has conducted a pre-proposal conference to interested organizations and received and reviewed the proposals by the responding organizations. The complete list of activities is listed below.

Based on the proposals received, the evaluation team also requested that the organizations selected for oral interviews interview representatives from two customers; DWSD-R and the City of Warren to determine the billing procedures and delinquent customer policies for each community and develop a proposal for coordinating assistance, based on the results of the interviews with each community. These proposals were presented to the evaluation team during the oral interviews.



Great Lakes Water Authority Financial Services Group GLWA Board Communication

Advertise date for RFP	10/9/15
Questions Due (12:00 pm EST)	10/14/15
Mandatory Pre-proposal conference	10/19/15
Proposals Due (12:00 pm EST)	10/29/15
Minimum qualifications verified	11/2/15
Evaluations Due	11/17/15
Shortlisting	N/A
*Oral Interviews	12/7/15
Additional questions compiled	12/9/15
Responses from proposers	12/11/15
Responses distributed to Eval Team	12/11/15
Evaluation Team Final Selection	12/15/15
Prepare summary documents	12/23/15
Board Approval - Date to be confirmed	1/13/16
Contract Award	1/13/16
Contract Execution	1/22/15
Start Work	1/25/15
Implementation	TBD

Current Status:

To date, the evaluation team has conducted a pre-proposal conference to interested organizations and received and reviewed the proposals by the responding organizations. Based on the proposals received, the evaluation team also requested that the organizations selected for oral interviews interview representatives from two customers; DWSD-R and the City of Warren to determine the billing procedures and delinquent customer policies for each community and develop a proposal for coordinating assistance, based on the results of the interviews with each community. These proposals were presented to the evaluation team during the oral interviews. After the oral interviews, the evaluation team request some follow-up clarification from the proposers and received the final responses on December 11, 2015.

Next Steps:

It is expected the evaluation team will make its final selection on Tuesday, December 15th. After the selection, we will prepare the summary documents for review by GLWA management. We are hoping to bring the selection of the WRAP Program Administrator to the GLWA Board at its meeting on January 13, 2016.

Great Lakes Water Authority
Resolution 2015 - 12 - 02
RE: Schedule of 2016 Meetings

By Board Member: Joseph Nardone

Whereas The Board of Directors (Board) of the Great Lakes Water Authority (GLWA) wishes to establish an annual schedule of meetings for 2016 as required by the Michigan Open Meetings Act and to allow future customers and the public-at-large to be aware of and have the opportunity to participate in GLWA meetings; and

Whereas As a part of its regularly scheduled meetings, the Board wishes to schedule Workshop presentations on relevant topics as a part of its regular meeting schedule; and

Whereas The Board is required by its Articles of Incorporation to meet on at least a quarterly basis; and

Whereas The Board is also aware that in addition to these regularly scheduled meetings the GLWA may from time-to-time require additional special meetings and it is the intent of the Board to make future customers and the public-at-large aware of those meetings as required by the Michigan Open Meetings Act and other applicable laws,

Now, Therefore Be It:

Resolved That the following schedule of meetings for the GLWA is adopted:

Wednesday January 13, 2016, 1pm Workshop Meeting

Wednesday January 27, 2016, 2pm Monthly meeting

Wednesday February 10, 2016, 1pm Workshop Meeting

Wednesday February 24, 2016 2pm Monthly meeting

Wednesday March 9, 2016, 1pm Workshop Meeting

Wednesday March 23, 2016, 2pm Monthly meeting

Wednesday April 13, 2016, 1pm Workshop Meeting

Wednesday April 27, 2016, 2pm Monthly meeting

Wednesday May 11, 2016, 1pm Workshop Meeting

Wednesday May 25, 2016, 2pm Monthly meeting

Wednesday June 8 2016, 1pm Workshop Meeting

Wednesday June 22, 2016, 2pm Monthly meeting

Wednesday July 13, 2016, 1pm Workshop Meeting

Wednesday July 27, 2016, 2pm Monthly meeting

Wednesday August 10, 2016, 1pm Workshop Meeting

Wednesday August 24, 2016, 2pm Monthly meeting

Wednesday September 14, 2016, 1pm Workshop Meeting

Wednesday September 28, 2016, 2pm Monthly meeting

Wednesday October 12, 2016, 1pm Workshop Meeting

Wednesday October 26, 2016, 2pm Monthly meeting

Wednesday November 9, 2016, 1pm Workshop Meeting

Wednesday November 30, 2016, 2pm Monthly meeting

Wednesday December 14, 2016, 1pm Workshop Meeting

Thursday December 22, 2016, 2pm Monthly meeting, **And Be It Further**

Resolved

That, unless otherwise indicated, meetings of the Board shall be held in the Board Room, 5th Floor, 735 Randolph, Detroit, Michigan, **And Be It Further**

Resolved That, meetings of the Board shall be posted as required by the Michigan Open Meetings Act, **And Be It Finally**

Resolved That, this schedule of meetings may be amended at any time by a majority vote of the Board.

Adopted by the Great Lakes Water Authority Board on: December 9, 2015

City of Detroit, Water and Sewerage Department

Board of Water Commissioners

2016 Schedule of Meetings and Workshops

<u>DATE</u>	<u>TIME</u>	<u>PURPOSE</u>
Wednesday, January 6, 2016	1:00 p.m.	Workshop
Wednesday, January 20, 2016	2:00 p.m.	Regular Meeting
Wednesday, February 3, 2016	1:00 p.m.	Workshop
Wednesday, February 17, 2016	2:00 p.m.	Regular Meeting
Wednesday, March 2, 2016	1:00 p.m.	Workshop
Wednesday, March 16, 2016	2:00 p.m.	Regular Meeting
Wednesday, April 6, 2016	1:00 p.m.	Workshop
Wednesday, April 20, 2016	2:00 p.m.	Regular Meeting
Wednesday, May 4, 2016	1:00 p.m.	Workshop
Wednesday, May 18, 2016	2:00 p.m.	Regular Meeting
Wednesday, June 1, 2016	1:00 p.m.	Workshop
Wednesday, June 15, 2016	2:00 p.m.	Regular Meeting

<u>DATE</u>	<u>TIME</u>	<u>PURPOSE</u>
Wednesday, July 6, 2016	1:00 p.m.	Workshop
Wednesday, July 20, 2016	2:00 p.m.	Regular Meeting
Wednesday, August 3, 2016	1:00 p.m.	Workshop
Wednesday, August 17, 2016	2:00 p.m.	Regular Meeting
Wednesday, September 7, 2016	1:00 p.m.	Workshop
Wednesday, September 21, 2016	2:00 p.m.	Regular Meeting
Wednesday, October 5, 2016	1:00 p.m.	Workshop
Wednesday, October 19, 2016	2:00 p.m.	Regular Meeting
Wednesday, November 2, 2016	1:00 p.m.	Workshop
Wednesday, November 16, 2016	2:00 p.m.	Regular Meeting
Wednesday, December 7, 2016	1:00 p.m.	Workshop
Wednesday, December 21, 2016	2:00 p.m.	Regular Meeting

This schedule of meetings may be amended at any time by the Board of Water Commissioners.

Meetings of the Board of Water Commissioners shall be posted as required by the Michigan Open Meetings Act. Unless otherwise indicated, meetings of the Board shall be held in the Board Room, 5th Floor, 735 Randolph, Detroit, Michigan,